Office of the Auditor General of Canada
Quarterly Financial Report
For the quarter ended 31 December 2014

Office of the Auditor General of Canada

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Statement outlining results, risks, and significant changes in operations, personnel, and programs

Introduction

This quarterly report has been prepared by management as required by section 65.1 of the *Financial Administration Act* and in the form and manner prescribed by the Treasury Board, and it should be read in conjunction with the Main Estimates and Supplementary Estimates. This quarterly report has not been subject to an external audit or review.

The Office of the Auditor General has one program activity: legislative auditing. The Office conducts independent audits and studies that provide objective information, advice, and assurance to Parliament, government, and Canadians.

Mandate

The Auditor General is an Officer of Parliament, who is independent from the government and reports directly to Parliament. The duties are set out in the *Auditor General Act*, the *Financial Administration Act*, and other acts and orders-in-council. These duties relate to legislative auditing and, in certain cases, to monitoring of federal departments and agencies, Crown corporations, territorial governments, and other entities.

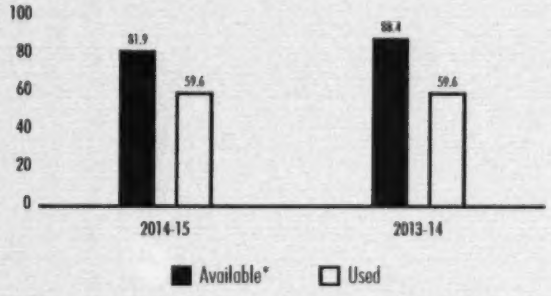
Basis of presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the Office's spending authorities granted by Parliament and those used by the Office consistent with the Main Estimates and Supplementary Estimates for the 2014–15 fiscal year. This quarterly report provides financial information on the use of spending authorities. The Office uses the full accrual method of accounting to prepare and present its annual financial statements that are part of the departmental performance reporting process. However, the spending authorities voted by Parliament are on an expenditure basis.

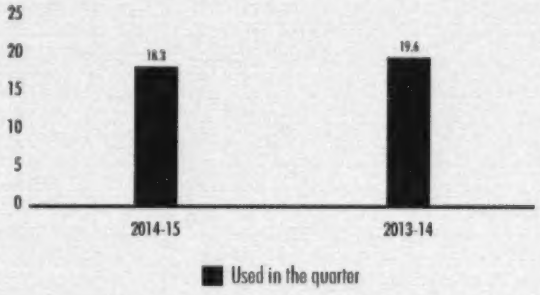
Highlights of quarterly and year-to-date results

The authorities available decreased as a result of the implementation of the Office Strategic Operating Review Proposal. The authorities used in the quarter decreased due to the decrease in Personnel expenses.

Authorities available and used as at 31 December (in millions of dollars)



Authorities used in the quarter ended 31 December (in millions of dollars)



*Includes only authorities available for use and granted by Parliament at quarter-end

Risks and uncertainties

There are no significant risks and uncertainties to report.

Budget 2012 implementation

The Office achieved its planned savings in fiscal year 2014–15 through efficiency measures and reductions that aligned resources to its core mandate and streamlined how the Office works.

Significant changes in operations, personnel, and programs

- A new Chief Audit Executive was appointed and assumed the position on 1 December 2014.
- A new Comptroller was appointed and assumed the position on 3 November 2014.

Approved by:

Michael Ferguson, CPA, CA
FCA (New Brunswick)
Auditor General of Canada

Sylvain Ricard, CPA, CA
Assistant Auditor General and
Chief Financial Officer

Ottawa, Canada
27 February 2015

Statement of authorities (unaudited)

	Fiscal year 2014–15			Fiscal year 2013–14		
	Total available for use for the year ending *31 March 2015**	Used during the quarter ended *31 December 2014*	Year to date used at quarter-end	Total available for use for the year ended *31 March 2014**	Used during the quarter ended *31 December 2013*	Year to date used at quarter-end
	(in thousands of dollars)					
Vote 20—Program expenditures	74,609	16,168	53,093	80,650	17,257	52,687
Less revenues netted against program expenditures	(2,510)	(284)	(861)	(2,510)	(256)	(801)
Net Vote 20—Program expenditures	72,099	15,884	52,232	78,140	17,001	51,886
Budgetary statutory authorities	9,794	2,448	7,345	10,233	2,558	7,674
Total budgetary authorities	**81,893**	**18,332**	**59,577**	**88,373**	**19,559**	**59,560**
Non-budgetary authorities	-	-	-	-	-	-
Total authorities	**81,893**	**18,332**	**59,577**	**88,373**	**19,559**	**59,560**

*Includes only authorities available for use and granted by Parliament at quarter-end

Departmental budgetary expenditures by standard object (unaudited)

	Fiscal year 2014–15			Fiscal year 2013–14		
	Planned expenditures for the year ending *31 March 2015*	Expended during the quarter ended *31 December 2014*	Year to date expended at quarter-end	Planned expenditures for the year ended *31 March 2014*	Expended during the quarter ended *31 December 2013*	Year to date expended at quarter-end
			(in thousands of dollars)			
Expenditures:						
Personnel	73,302	16,467	50,053	73,082	17,175	51,868
Transportation and communications	3,444	754	2,347	5,662	865	2,405
Information	498	106	267	770	129	356
Professional and special services	4,802	1,000	4,096	7,853	984	3,596
Rentals	1,092	162	989	1,671	121	962
Repair and maintenance	211	48	95	415	102	196
Utilities, materials and supplies	354	68	147	617	79	185
Acquisition of machinery and equipment	700	11	267	812	360	794
Other subsidies and payments*	-	-	2,177	1	-	(1)
Total gross budgetary expenditures	**84,403**	**18,616**	**60,438**	**90,883**	**19,815**	**60,361**
Less revenues netted against expenditures:						
Costs recovered						
Members of the Canadian Council of Legislative Auditors (CCOLA)	(660)	(108)	(203)	(660)	(25)	(97)
International Labour Organization	(1,850)	(176)	(658)	(1,850)	(231)	(704)
Total net budgetary expenditures	**81,893**	**18,332**	**59,577**	**88,373**	**19,559**	**59,560**

*Includes the one time transition payment of $2.1 million made in 2014–15 as a result of a change from pay in advance for work performed to pay in arrears.